Chapter 250-20-WAC State Student Financial Aid Programs State Need Grant

Please note that the SNG WACs are in the process of being revised. We will send out new copies to the schools once the newest version has gone through the revision process.

250-20-011 Student eligibility. 250-20-013 Institutional eligibility. 250-20-015 Application and agreement to participate. 250-20-021 Program definitions. 250-20-031 Application procedure. 250-20-037 Reserve of funds. 250-20-041 Award procedure. 250-20-051 Grants disbursement. 250-20-061 Program administration and audits.

250-20-071 Appeal process.
250-20-081 Suspension or termination of institutional

participation.

WAC Sections

250-20-091 Eligibility of reciprocity students.

250-20-001 Applicability of rules.

Unless specified, the term "state need grant" applies to both the state need grant program and the federal leveraging educational assistance partnership program. Institutions participating in the state need grant program must comply with the regulations specified in chapter 250-20 WAC and conform to all requirements of the leveraging educational assistance partnership program as specified in 34 Code of Federal Regulations, Part 692.

250-20-011 Student eligibility.

For a student to be eligible for a state need grant he or she must:

(1) Be a "needy student" as determined by the higher education coordinating board in accordance with RCW 28B.10.802 or be a "disadvantaged student" who has completed a board

approved program designed to promote early awareness of, and aspiration to, higher education.

- (2) Be a resident of the state of Washington in accordance with RCW 28B.15.012 (2)(a) through (d).
- (3) Be enrolled or accepted for enrollment as an undergraduate student at a participating postsecondary institution or be a student under an established program designed to qualify him or her for enrollment as a full-time student at a postsecondary institution in the state of Washington.
- (a) For purposes of need grant eligibility, the student must be enrolled, at time of disbursement, in a course load of at least six credits per quarter or semester or, in the case of institutions which do not use credit hours, in a program of at least six hundred clock hours requiring at least twelve clock hours of instruction per week.
- (b) A student enrolled less than half time may not receive this grant for the term in question, but is eligible for reinstatement or reapplication for a grant upon return to at least a half-time status. Correspondence courses may not comprise more than one-half of the student's minimum credit load for which aid is being considered.
- (c) Have a high school diploma or its equivalent. Equivalent standards include a general education development certificate, a certificate of completion of a home study program recognized by the student's home state. For a student without a high school diploma or its equivalent, he or she must pass a federally recognized ability-to-benefit test as is required for the receipt of federal student aid.
 - (4) Maintain satisfactory progress as defined in WAC 250-20-021(19).
 - (5) Not be pursuing a degree in theology.
- (6) Not have received a state need grant for more than the equivalent of ten full-time semesters or fifteen full-time quarters or equivalent combination of these two, nor exceed one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. A student shall be deemed to have received an associate degree as a state need grant recipient if the student received state need grant payments in more than three quarters, two semesters, or equivalent clock hours while pursuing an associates degree. Upon receipt of a bachelor's degree, a student is no longer eligible.
 - (7) Have made a bona fide application for a Pell grant.
- (8) Certify that he or she does not owe a refund on a state need grant, a Federal Pell Grant or a Federal Supplemental Educational Opportunity Grant, and is not in default on a loan made, insured, or guaranteed under the Federal Family Education Loan Program, the Federal Perkins Loan Program, or the Federal Direct Student Loan Program.

250-20-013 Institutional eligibility.

- (1) For an otherwise eligible student to receive a state need grant, he or she must be enrolled in an eligible program at a postsecondary institution approved by the higher education coordinating board for participation in the state need grant program. To be eligible to participate, a postsecondary institution must:
- (a) Be a public university, college, community college, or vocational-technical institute operated by the state of Washington, or any political subdivision thereof, or any other university, college, school or institute in the state of Washington offering instruction beyond the high school level with full institutional accreditation by an accrediting association recognized by rule of the board.
- (b) Participate in the federal Title IV student financial aid programs, including, at a minimum, the Federal Pell Grant program.
 - (2) In addition, a for-profit institution must:
- (a) Be certified for participation in the federal Title IV student financial aid programs. A for-profit institution that is provisionally certified for participation in the federal Title IV student financial aid programs due to its failure to meet the factors of administrative capability or financial responsibility as stated in federal regulations, or whose participation has been limited or suspended, is not eligible to participate in the state need grant program until its full eligibility has been reinstated.
- (b) Demonstrate to the satisfaction of the board that it is capable of properly administering the state need grant program. In making a determination of administrative capability, the board will consider such factors as the adequacy of staffing levels, staff training and experience in administering student financial aid programs, standards of administrative capability specified for purposes of federal Title IV program eligibility, its student withdrawal rate, its federal student loan cohort default rate, and such other factors as are reasonable. In determining the administrative capability of participating institutions, the board will also consider the institution's compliance with state need grant program regulations and guidelines.
- (c) Demonstrate to the satisfaction of the board that it has the financial resources to provide the services described in its official publications and statements, provide the administrative resources necessary to comply with program requirements, and that it meets the financial responsibility standards for participation in the federal Title IV programs.
 - (d) Renew its eligibility each year under these standards.
- (3) Nothing in this section shall prevent the board, in the exercise of its sound discretion, from denying eligibility or terminating the participation of an institution which the board determines is unable to properly administer the program or to provide advertised services to its students.

250-20-015 Application and agreement to participate.

A postsecondary institution which wishes to participate in the state need grant program must apply and be approved each year. As a part of the application process, the institution must provide all requested information, in the format specified by the board. Such information will include, but may not be limited to, the following: Name and address of school (including central office and all campus sites), name and address of owner(s), or if a corporation the name and addresses of stockholders holding more than twenty-five percent of the stock and percentage of stock held, the date on which the school officially began instruction if in the last five years, type and date of last accreditation, enrollment information (unless reported to the state of Washington or in the integrated postsecondary education data system), evidence of certification and participation in the Federal Pell Grant program and any other information upon request of the board as needed to determine the institution's eligibility. The institutions must also submit each year, for approval, a copy of its refund/repayment policy, student budgets, gift equity packaging policy and its satisfactory progress policy for state need grant recipients and such other information as may be required to assure proper administration of the program. In addition the "agreement to participate" will also indicate the institution's agreement to abide by all program rules, regulations, and guidelines, to maintain and provide all pertinent information, records, and reports requested by the board, and to notify the board within thirty days of any change (other than student enrollment) to information reported on the agreement form.

250-20-021 Program definitions.

- (1) The term "needy student" shall mean a post-high school student of an institution of postsecondary education who demonstrates to the higher education coordinating board the financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter. The determination of need shall be made in accordance with federal needs analysis formulas and provisions as recognized and modified by the board.
- (2) The term "disadvantaged student" shall mean a student who by reasons of adverse cultural, educational, environmental, experiential, or familial circumstance is unlikely to aspire to, or enroll in, higher education. Generally, this shall mean a dependent student whose parents have not attained a college education and/or whose family income is substantially below the state's median.
 - (3) The term "postsecondary institution" shall mean:
- (a) Any public university, college, community college, or vocational-technical institute operated by the state of Washington political subdivision thereof, or any other university, college, school or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an approved accrediting association.
- (b) If such institution agrees to participate in the program in accordance with all applicable rules and regulations.

- (c) Any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of an approved accrediting association.
- (d) The separate accreditation requirement is waived for branch campuses of out-of-state institutions if the branch campus:
 - (i) Is eligible to participate in federal student aid programs; and
- (ii) Has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington; and
 - (iii) Has an annual enrollment of at least seven hundred full-time equivalent students.
 - (4) The term "approved accrediting association" shall mean the following organizations:
 - (a) Northwest Association of Schools and Colleges;
 - (b) Middle States Association of Colleges and Schools, Commission on Higher Education;
 - (c) New England Association of Schools and Colleges;
 - (d) North Central Association of Colleges and Schools;
 - (e) Southern Association of Colleges and Schools;
 - (f) Western Association of Schools and Colleges;
 - (g) Accrediting Bureau of Health Education Schools;
 - (h) Accrediting Council for Continuing Education and Training;
 - (i) Accrediting Commission of Career Schools and Colleges of Technology;
 - (j) Accrediting Council for Independent Colleges and Schools;
 - (k) National Accrediting Commission of Cosmetology Arts and Sciences.
- (5) "Washington resident" shall be defined as an individual who satisfies the requirements of RCW 28B.15.012 (2)(a) through (d) and board-adopted rules and regulations pertaining to the determination of residency.
- (6) "Dependent student" shall mean any post-high school student who does not qualify as an independent student in accordance with WAC 250-20-021(6).

- (7) "Independent student" shall mean any student who qualifies as an independent student for the receipt of federal aid. These qualifications include a student who has either:
 - (a) Reached his or her twenty-fourth birthday before January 1st of the aid year; or,
 - (b) Is a veteran of the U.S. Armed Forces; or,
 - (c) Is an orphan or ward of the court; or,
 - (d) Has legal dependents other than a spouse; or,
 - (e) Is a married student or a graduate/professional student; or,
- (f) Is determined to be independent for the receipt of federal aid on the basis of the professional judgment of the aid administrator.
- (8) Definitions of "undergraduate students" will be in accord with definitions adopted for institutional use by the board.
- (9) "Student budgets" shall consist of that amount required to support an individual as a student for nine months and may take into consideration cost factors for maintaining the student's dependents. This should be the amount used to calculate the student's total need for all state and federal funds.
- (10) "State need grant cost-of-attendance" is the standard student cost per sector, as developed by the board.
- (a) The costs-of-attendance for each sector are calculated by adding together a standard maintenance allowance for books, room, board, transportation and personal items, for all undergraduate students statewide as developed by the Washington Financial Aid Association, and the sector's regular tuition and fees for full-time, resident, undergraduate students.
- (b) In no case may the costs-of-attendance exceed the statutory ceiling established by RCW 28B.10.808(4). The ceiling is calculated by adding together the same standard maintenance allowance used in determining the state need grant cost-of-attendance, plus the regular tuition and fees charged for a full-time resident undergraduate student at a research university, plus the current average state appropriation per student for operating expenses in all public institutions.
- (c) For example, in the 1992-93 academic year, the value of the statutory ceiling is \$13,783. This value is composed of the Washington Financial Aid Association's maintenance budget of \$6,964, plus the regular tuition and fees charged for a resident undergraduate student at a research university of \$2,274, plus the current average state appropriation per student for operating expenses in all public institutions of \$4,545.

- (d) The value of each element used in the construction of the statutory ceiling will be updated annually.
- (e) The higher education coordinating board will consult with appropriate advisory committees and the representative association of student financial aid administrators, to annually review and adjust the costs-of-attendance. The costs-of-attendance for each sector will be published concurrent with annual guidelines for program administration.
- (11) "Family income" is the student's family income for the calendar year prior to the academic year for which aid is being requested.
- (a) Income means adjusted gross income and nontaxable income as reported on the federally prescribed application for federal student aid.
 - (b) For the dependent student family income means parental income.
- (c) For the independent student family income means the income of the student and any other adult, if any, reported as part of the student's family.
- (d) The institutional aid administrator may adjust the family's income up or down to more accurately reflect the family's financial situation during the academic year. When such adjustments are made they shall be consistent with guidelines for making changes to determine federal student aid eligibility.
- (12) "Income cutoff" means the amount of family income below which a student is determined to be eligible for the state need grant.
- (a) The cutoff shall be expressed as a percent of the state's median family income. The exact point of cutoff shall be determined each year by the board based on available funding.
- (b) The board will endeavor to award students, in order, from the lowest income to the highest income, within the limits of available funding.
- (c) At the discretion of the institution's aid administrator, a student who is eligible for a state need grant in a given academic year may be deemed eligible for the ensuing academic year if his or her family income increases by no more than three percent, even if the stated median family income cutoff for grant eligibility is lower than that amount.
- (13) "Median family income" is the median income for Washington state, adjusted by family size and reported annually in the federal register.
- (14) "Base grant" is the state need grant award for each sector before the addition of a dependent care allowance. The base grant per student will be no less than the published base grant in 1998-1999. The base grant may be further adjusted according to the student's family income level and rate of enrollment as described in WAC <u>250-20-041</u>.

For certain students who have completed board approved early awareness and preparation programs such as the Washington National Early Intervention Scholarship Program, its successor program, or a Trio program, the base grant will be an amount fixed annually by the board. Generally the base grant, in these cases, will be no less than the current value of the federal PELL grant program.

- (15) "Dependent care allowance" is a flat grant amount, to be determined by the board, which is in addition to the eligible student's base grant.
- (a) The allowance is awarded to those students who have dependents in need of care. The dependent must be someone (other than a spouse) living with the student.
- (b) Care must be that assistance provided to the dependent by someone outside of the student's household and not paid by another agency.
 - (c) Eligible grant recipients must document their need for the dependent care allowance.
- (16) "State need grant award" is the base grant adjusted according to level of family income, plus a dependent care allowance, if applicable.
- (17) "Academic year" is that period of time between July 1 and the following June 30 during which a full-time student would normally be expected to complete the equivalent of two semesters or three quarters of instruction.
 - (18) "Clock hours" means a period of time which is the equivalent of either:
 - (a) A 50 to 60 minute class, lecture, or recitation, or
 - (b) A 50 to 60 minute period of faculty-supervised laboratory shop training or internship.
- (19) "Gift equity packaging policy" is the institution's policy for assigning gift aid to all needy, eligible students.
- (20) "Satisfactory progress" is the student's successful completion of a minimum number of credit or clock hours for each term in which the grant was received. Each school's policy for measuring progress of state need grant recipients must define satisfactory as the student's completion of the minimum number of credit or clock hours for which the aid was disbursed.
- (a) The minimum satisfactory progress standard for full-time students is twelve credits per term or 300 clock hours per term. Satisfactory progress for three-quarter time students is nine credits per term or 225 clock hours per term. Satisfactory progress for half-time students is six credits per term or 150 clock hours per term.
 - (b) Each school's policy must deny further disbursements of the need grant at the conclusion

of any term in which he or she fails to complete at least one-half of the minimum number of credits or clock hours for which the aid was disbursed or otherwise fails to fulfill the conditions of the institution's satisfactory progress policy.

- (c) The school may make disbursements to a student who is in a probationary status. "Probation" is defined as completion of at least one-half, but less than all of the minimum number of credits for which the aid was calculated and disbursed. The school must have a probation policy, approved by the board, which limits the number of terms in which a student may receive the need grant while in a probationary status.
- (d) The school's aid administrator may at any time, using professional judgment exercised on a case-by-case basis, reinstate a student back into a satisfactory progress status, in response to an individual student's extenuating circumstances.
- (21) The term "full institutional accreditation" shall mean the status of public recognition that an accrediting agency recognized by the U.S. Department of Education grants to an educational institution that meets the agency's established standards and requirements. Institutional accreditation applies to the entire institution, indicating that each of an institution's parts is contributing to the achievement of the institution's objectives.
- (22) The term "eligible program" for a public or private nonprofit educational institution, shall mean an associate or baccalaureate degree program; at least a two-year program that is acceptable for full credit toward a bachelor's degree, or at least a one-year educational program that leads to a degree or certificate and prepares the student for gainful employment in a recognized occupation. The term "eligible program" for a for-profit or a postsecondary vocational institution shall mean a program which provides at least a 15-week undergraduate program of 600 clock hours, 16 semester hours, or 24 quarter hours. The program may admit students without an associate degree or equivalent. The term "eligible program" for a for-profit or a postsecondary vocational institution may also be a program that provides at least a 10-week program of 300 clock hours, 8 semester hours, or 12 quarter hours. A program in this category must be an undergraduate program that admits only students with an associate degree or equivalent. To be an "eligible program," a program must be encompassed within the institution's accreditation and be an eligible program for purposes of the federal Title IV student financial aid programs.
- (23) The three "public sectors of higher education" are the research universities, comprehensive universities, and the community and technical colleges.
- (24) A "for-profit institution" is a postsecondary educational institution other than a public or private nonprofit institution which provides training for gainful employment in a recognized profession.
- (25) A "postsecondary vocational institution" is a public or private nonprofit institution which provides training for gainful employment in a recognized profession.

250-20-031 Application procedure.

- (1) Application for a state grant must be made each year.
 - (2) All applications will be ranked anew each year.
- (3) Application for a state need grant is accomplished through a student's application for admission to, and financial aid from, the institution of his or her choice.
- (4) Financial data must be generated in accordance with the method set forth by the higher education coordinating board to assure that information will be consistent on a statewide basis.

The board shall annually specify the student data elements essential for determining state need grant eligibility and shall authorize the forms and processes for collecting and analyzing such data.

- (5) The burden of proof of a grant recipient's eligibility is with the institution. At a minimum:
- (a) The institution must be able, on request of the board, to reconstruct the calculations and rationale for the student's grant eligibility and award amounts.
- (b) The financial aid form or comparable financial status documents, with the resulting financial need analysis must be on record in the financial aid office for all grant recipients.
- (c) The institution must also have on record justification for reawarding a need grant to any student who failed to make satisfactory progress.
- (6) The board shall establish annual criteria by which the eligible student is to be identified, ranked, and awarded. That criteria shall include the maximum award for each sector and the income cutoff level.
- (7) The institution shall examine the student's aid application to determine overall need and specific state need grant eligibility and the appropriate award, using the board-approved criteria.
- (8) The board will make available to all participating institutions, a list of all students who owe state need grant repayments or have otherwise exhausted their state need grant eligibility. It is the institution's responsibility to ensure that no ineligible student receives a state need grant.
- (9) The financial aid administrator at each institution will be required to sign a statement attesting to the fact that all eligible financial aid applicants within state need grant parameters will be identified and served to the extent funds are available and that financial information will be determined in strict adherence to program guidelines.

(10) No group of students, such as single parents or part-time students, may be advantaged or disadvantaged in its access to the state need grant by any institutional awarding policy.

250-20-037 Reserve of funds.

The board shall annually reserve funds for the body of students at each institution. The percentage of state need grant funds to be reserved equals the proportion of grant dollars needed to fund the eligible students who are enrolled, as reported on the unit record report, at each school compared to the dollars needed to fund all state need grant eligible students enrolled in all participating schools.

250-20-041 Award procedure.

- (1) The institution will offer grants to eligible students from funds reserved by the board. It is the institution's responsibility to ensure that the reserve is not over expended within each academic year.
- (2) The state need grant award for an individual student shall be the base grant, appropriate for the sector attended and a dependent care allowance, if applicable, adjusted for the student's family income and rate of enrollment. Each eligible student receiving a grant must receive the maximum grant award for which he or she is eligible, unless such award should exceed the student's overall need or the institution's approved gift equity packaging policy.
 - (3) The grant amount for students shall be established as follows:
- (a) The award shall be based on the representative average tuition, service, and activity fees charged within each public sector of higher education. The average is to be determined annually by the higher education coordinating board.
- (b) Except for the 2003-04 and 2004-05 academic years, the base grant award shall not exceed the actual tuition and fees charged to the eligible student. During the 2003-04 and 2004-05 years the grant award may exceed the tuition charged to the eligible student by fifty dollars.
- (c) The base grant award for students attending independent four-year institutions shall be equal to that authorized for students attending the public four-year research institutions. The base grant for students attending private vocational institutions shall be equal to that authorized for students attending the public community and technical colleges.
- (4) The total state need grant award shall be reduced for students with family incomes greater than fifty percent of the state's median and for less than full-time enrollment.
- (a) Students whose incomes are equal to fifty-one percent to seventy-five percent of the state's median family income shall receive seventy-five percent of the maximum award. Students whose

incomes are equal to seventy-six percent to one hundred percent of the state's median family income shall receive fifty percent of the maximum award. Students whose incomes are equal to one hundred one percent to one hundred twenty-five percent of the state's median family income shall receive twenty-five percent of the maximum award.

- (b) Eligible students shall receive a prorated portion of their state need grant for any academic period in which they are enrolled at least half-time, as long as funds are available. Students enrolled at a three-quarter time rate, at the time of disbursement, will receive seventy-five percent of their grant. Students enrolled half-time at the time of disbursement will receive fifty percent of their grant.
- (5) Depending on the availability of funds, students may receive the need grant for summer session attendance.
- (6) The institution will be expected, insofar as possible, to match the state need grant with other funds sufficient to meet the student's need. Matching moneys may consist of student financial aid funds and/or student self-help.
- (7) All financial resources available to a state need grant recipient, when combined, may not exceed the amount computed as necessary for the student to attend a postsecondary institution. The student will not be considered overawarded if he or she receives additional funds after the institution awards aid, and the total resources exceed his or her financial need by \$200 or less by the end of the academic year.
- (8) The institution shall ensure that the recipient's need grant award, in combination with grant aid from all sources, not exceed seventy-five percent of the student's cost-of-attendance. In counting self-help sources of aid, the aid administrator shall include all loans, employment, work-study, scholarships, grants not based on need, family contribution, and unmet need.
 - (9) The institution will notify the student of receipt of the state need grant.
- (10) Any student who has received at least one disbursement and chooses to transfer to another participating institution within the same academic year may apply to the board for funds to continue receipt of the grant at the receiving institution.

250-20-051 Grants disbursement.

- (1) At intervals designated by the executive director, financial aid administrators from participating independent colleges and proprietary institutions will submit the appropriate warrant order form to the higher education coordinating board for each state need grant recipient certifying enrollment and grant eligibility.
- (a) Upon receipt of the warrant order forms, the higher education coordinating board will forward warrants to the appropriate institution for each recipient.

- (b) At private and proprietary schools, as long as the student remains eligible for the grant, the warrant must be given directly to the student without any other condition being placed on receipt of the warrant by the institution.
- (c) All signed receipts for state need grants are to be retained by the institution. They must be made available for inspection upon request of the board. All unclaimed warrants must be returned to the board on or before the date specified by the board each term.
- (d) A student-by-student reconciliation must be completed by the institution at the end of each term.
 - (2) All other institutions may request funds as necessary to make disbursements to students.
 - (a) Progress reports must be filed with the board as requested.
- (b) A student-by-student reconciliation must be filed with the board at the end of each academic year.
- (3) No institution may disburse nor claim more funds than that amount reserved by the board for the body of students at each institution.
- (4) Should a student recipient withdraw from classes during the term in which he or she received a state need grant, he or she shall be required to repay the appropriate amount according to the institution's approved repayment policy.

The institution shall advise the student and the board of amounts to be repaid.

(5) The board reserves the right, if funds are available, to pay to public institutions an administrative expense allowance for the shared responsibility of administering the program on the board's behalf. The allowance shall be calculated annually as a percentage of the need grant funds disbursed by the institution.

250-20-061 Program administration and audits.

- (1) The staff of the higher education coordinating board under the direction of the executive director will manage the administrative functions relative to this program.
- (2) The higher education coordinating board will review institutional administrative practices to determine institutional compliance with rules and regulations and program guidelines. If such a review determines that an institution has failed to comply with program rules and regulations or guidelines, the board pursuant to the procedures of WAC <u>250-20-081</u> may suspend, terminate or place conditions upon the institution's participation in the program and require reimbursement to the program for any funds lost or improperly expended.
 - (3) Any student who has obtained a state need grant through means of a willfully false

statement or failure to reveal any material fact, condition, or circumstance affecting eligibility will be subject to applicable civil or criminal penalties.

250-20-071 Appeal process.

Should a student question his or her state need grant eligibility or award, the following procedures should be followed:

- (1) The student should direct questions and appeals to the financial aid officer at the institution he or she attends.
- (2) If the student is not satisfied with the response of the institution, he or she should assemble all relevant academic, financial, and personal data and forward it to the higher education coordinating board for review.
- (3) The board's division of student financial aid will review all material submitted and, if possible, will resolve the problem, advising the student of his or her eligibility and generating an award or, if the student is not eligible for a state need grant, advising the student of the reason for denial.
- (4) The higher education coordinating board will convene its review committee to consider the situation of any student whose state need grant eligibility is questionable, or upon the request of the student. If the committee finds the student eligible for state need grant receipt, it will advise the financial aid administrator at the institution the student attends and will recommend to the school that the student's state need grant award be processed immediately. If the review committee finds the student not eligible for state need grant receipt, it will advise the student of the reason for denial.
- (5) If the student is not satisfied with the resolve by the review committee, the student's final recourse is submission of his or her case to the higher education coordinating board.

250-20-081 Suspension or termination of institutional participation.

Upon receipt of a complaint or other evidence that an institution has failed or is failing to comply with program rules and regulations, the board staff shall notify the institution by mail of the nature of such allegations and conduct a review of the alleged violations.

If preliminary findings indicate that a violation or violations may have occurred or are occurring, the board staff shall attempt, through mediation and conciliation, to effect corrections and/or secure reimbursement from the institution in event any funds were expended out of compliance with the provisions of WAC <u>250-20-061(2)</u>.

If no agreement is reached through the mediation and conciliation process, the executive director shall file a formal complaint with the board and notify the institution of the conduct which warrants the complaint. Based upon a finding pursuant to RCW 34.04.170, the complaint

may include an order for a summary suspension pending proceedings for termination, suspension, reimbursement or other action.

The executive director or a designated hearing officer shall conduct a hearing and make findings and conclusions in accordance with the Administrative Procedure Act, chapter 34.04 RCW. The findings, conclusions and any recommendations for action shall be submitted to the board for final action pursuant to RCW 34.04.110. The board may accept or reject, in whole or in part, any recommendations made by the hearing officer, may remand for further findings and/or take any other action the board deems appropriate under the circumstances.

250-20-091 Eligibility of reciprocity students.

State need grant eligibility of students attending an out-of-state institution under a reciprocity agreement is covered by the following regulations, which are authorized by chapter 13, Laws of 1980.

- (1) A student who meets all state need grant eligibility criteria and who has been accepted at an eligible out-of-state institution, as defined in WAC <u>250-20-091(2)</u> may receive a state need grant as long as that student continues attendance under the reciprocity program.
- (2) "Eligible out-of-state institution" shall mean any nonprofit college or university in another state which has a reciprocity agreement with the state of Washington if the institution is specifically encompassed within or directly affected by such reciprocity agreement so long as it is accredited by the Northwest Association of Schools and Colleges, and agrees to participate in the state need grant program in accordance with all applicable rules and regulations.
- (3) An out-of-state institution can be determined to be directly affected by a reciprocity agreement if:
- (a) The institution is located within twenty-five miles of an institution specifically encompassed within a reciprocity agreement;
- (b) Students from the county in which the institution is located are provided, pursuant to a reciprocity agreement, access to Washington institutions at resident tuition and fee rates to the extent authorized by Washington law; and,
- (c) The institution demonstrates that, in the previous academic year, headcount enrollment at the institution by Washington residents from areas and categories encompassed by the reciprocity agreement was at least ten percent less than the number of such students enrolled during the 1979-80 academic year.